

Interim Coupling – the European single day-ahead market becomes a reality

Press Release

- **17 June 2021 saw the go-live of the Interim Coupling Project (ICP) which aims to establish electricity connections at the borders of the 4M MC countries, i.e. the Czech Republic, Slovakia, Hungary and Romania, with the pan-European Multi-Regional Coupling (MRC) market area with Poland as one of its participants.**
- **The day-ahead market coupling process, of which TGE is an integral part, has been extended to include new connections, i.e. with Germany, the Czech Republic and Slovakia. To date, cross-border electricity trading on TGE was only possible with Sweden and Lithuania.**

After months of preparation during the implementation phase, thorough tests, communication meetings and webinars for market participants, the Interim Coupling Project (ICP) has successfully gone live. This marks a milestone for all European countries on the road to creating a single cross-border day-ahead market (SDAC).

The project aimed to connect the borders of the 4M MC countries (Czech Republic, Romania, Slovakia, Hungary) with the Multi-Regional Coupling (MRC) area by introducing Net Transmission Capacity (NTC) based implicit capacity allocation on six borders (PL-DE, PL-CZ, PL-SK, CZ-DE, CZ-AT, HU-AT). Thanks to the resulting integration it is possible to operate a single coupling mechanism for day-ahead markets in 23 European countries.

"Interim Coupling was a demanding undertaking for all parties involved, and its implementation was preceded by numerous tests at local, regional and European level. The go-live of the ICP offers an opportunity to allocate orders to new connections covered by the implicit auction model, i.e. without the need to book capacity in advance" says Sylwester Biało, Director of the TGE's Integration Office.

Interim Coupling is not the only project TGE is a party to. International initiatives pursued by TGE are implemented within the framework of such pan-European projects as SDAC (Single Day-Ahead Coupling based on the PCR solution) and SIDC (Single Intraday Coupling, formerly XBID). The Exchange is also active in the NEMO Committee, the organisation that brings together all European NEMOs. The Committee coordinates joint projects implemented by the NEMOs in the day-ahead and intraday markets for electricity.

As part of its local initiatives, TGE is also engaged in training activities, promotion of knowledge about the international market and consultations with Exchange Members.

¹ **Towarowa Giełda Energii S.A. (TGE)** is the only licensed commodity exchange in Poland, holding a licence to operate a regulated market since March 2015. The Exchange is the Nominated Electricity Market Operator (NEMO) for the Polish pricing area. Since 15 November 2017, TGE has been active on the European Day-Ahead Market SDAC. On 19 November 2019, the Exchange launched its cross-border SIDC Intraday Market based on the XBID model. TGE is included on the ACER's list of platforms for reporting transaction information according to REMIT requirements. Since March 2012, TGE has been a member of the Warsaw Stock Exchange Group.

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